

THE HONORABLE THOMAS S. ZILLY

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

BLUE NILE, INC., a Delaware
corporation,

Plaintiff,

v.

IDEAL DIAMOND SOLUTIONS, INC.
d/b/a IDS, Inc., *et al.*,

Defendants.

No. 10-380 TSZ

JOINT STATUS REPORT

Plaintiff Blue Nile, Inc. ("Blue Nile") and defendants Ideal Diamond Solutions, Inc. d/b/a IDS, Inc. ("IDS"), Larry Chasin ("Chasin"), Zdeel's Diamond Gallery, Wells & Co. Fine Jewelers, R. Bruce Carson Jewelers, Frederic H. Rubel Jewelers, Kleinhenz Jewelers, Mayfair Diamonds and Fine Jewelry, Mosiello Jewelers, Cirelli Jewelers, LV Jewelry, Quattry's Bench Express, Kilman Jewelers, and Diamondscape (collectively, "Defendants") submit this Joint Status Report and Discovery Plan in accordance with Federal Rule of Civil Procedure 26(f), Local Rule CR 16, and the Court's Order Regarding Initial Disclosures, Joint Status Report, and Early Settlement.

JOINT STATUS REPORT (Case No. 10-380 TSZ) – 1

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1. Representation of Parties

On March 8, 2010, Blue Nile, represented by Perkins Coie LLP, filed the Complaint in this action against Defendants. Defendant Chasin initially represented himself and IDS in the case. Subsequently, Lee A. Goldberg of the firm Pearl Cohen Zedek Latzer, 1500 Broadway, New York, New York 10036, purportedly represented Mr. Chasin, IDS and the other Defendants in the matter, but was not admitted to practice law in Washington and never formally appeared in this case. On May 26, 2010, Defendant Chasin "appearing pro se" filed an answer to the Complaint claiming to respond on behalf of all Defendants, including himself and each of the corporate Defendants. At the same time, Defendant Chasin filed a Corporate Disclosure Statement for all of the corporate Defendants. On June 4, 2010, counsel for Blue Nile was notified that Defendant Chasin had hired C. Tyler Shillito with the firm Maher Ahrens Foster Shillito, PLLC to potentially represent him personally in the action, but that Defendant Chasin continues to purportedly represent the corporate Defendants. On June 10, 2010, counsel for Blue Nile was notified that Defendant Chasin continued to represent himself in the litigation and was instructed to direct communication related to this matter to Defendant Chasin.

Blue Nile disputes that Defendant Chasin can properly appear and represent the corporate Defendants "pro se" in this case. However, for the sake of efficiency and expediency, the parties have cooperated to submit this joint status report while addressing this dispute and discussing potential resolution of the action.

2. Nature and Complexity of the Case.

Blue Nile is a leading online retailer of certified natural diamonds and diamond jewelry at the web address www.bluenile.com (also www.bluenile.ca and www.bluenile.co.uk). Blue Nile alleges that, without right or authorization, Defendant Chasin and Defendant IDS copied and distributed Blue Nile's intellectual property to develop and operate over *one hundred* websites for themselves and other Defendants to sell diamonds and jewelry in competition with Blue Nile. Specifically, the Complaint alleges that Defendants copied, displayed, distributed and/or created

1 derivative works from Blue Nile's website, including, without limitation, text, photographs,
 2 diagrams and compilations protected by Blue Nile's registered copyrights, in violation of the
 3 Copyright Act, 15 U.S.C. § 101. The Complaint also alleges that Defendants Chasin and IDS
 4 knowingly cooperated in and/or induced, encouraged, enabled or aided the infringement of Blue
 5 Nile's rights in the BLUE NILE trademark by registering domain names www.blue-jewelry.com
 6 and www.blue-jewel.biz, in violation of 15 U.S.C. §§ 1114, and 1125(a) and 1125(d). Finally,
 7 the Complaint alleges claims against all Defendants for unfair competition and civil conspiracy.
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9 The Answer filed by Defendant Chasin "pro se" purports to answer the Complaint and
 10 assert affirmative defenses on behalf of all Defendants.
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12 **3. ADR Method.**

13 The parties agree that mediation is the appropriate method of ADR.
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15 **4. ADR Time.**

16 The parties agree that mediation should occur by October 31, 2010.
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18 **5. Proposed Deadline for Joining Additional Parties.**

19 Additional parties should be joined by August 31, 2010.
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21 **6. Proposed Discovery Plan.**

22 A. Rule 26(f) Conference and 26(a) Initial Disclosures. The Rule 26(f)
 23 conference took place on June 10, 2010. Rule 26(a) initial disclosures will be exchanged by
 24 July 8, 2010.
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26 B. Subjects of Discovery. Subjects of discovery include Defendants' alleged
 27 copying, display, distribution or other use of or creation of derivative works from Blue Nile's
 28 intellectual property, including, without limitation, text, photographs, diagrams, marks and
 29 compilations from the Blue Nile website; Defendant Chasin's and Defendant IDS's alleged
 30 conspiracy with, and design, implementation and management of infringing websites on behalf
 31 of, other Defendants; Defendant Chasin's and Defendant IDS's registration and use of domain
 32 names www.blue-jewelry.com and www.blue-jewel.biz; alleged consumer confusion related to
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1 the domain names www.blue-jewelry.com and www.blue-jewel.biz; Defendants' alleged
2 knowledge and willfulness of their infringing activity and illegal conduct; alleged injury incurred
3 by Blue Nile; alleged damages incurred by Blue Nile; and Defendants' alleged defenses.
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6 Each party reserves the right to object to such discovery on relevance grounds, as well as
7 other objections. Discovery need not be conducted in phases or otherwise focused at this time.
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10 C. Changes or Limitations on Discovery. Blue Nile requires fourteen
11 depositions (exclusive of expert depositions) in order to have the opportunity to obtain
12 deposition testimony from each Defendant in advance of trial. No other changes to the
13 limitations on discovery under the federal and local civil rules are sought or believed to be
14 necessary at this time.
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17 D. Minimization of the Expense of Discovery. The parties will cooperate and
18 work together to minimize the expense of discovery.
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21 E. Any Orders That Should Be Entered. Blue Nile requests an order
22 expanding the limit on the number of depositions in Rule 30(a)(2)(i) to eighteen. Blue Nile
23 requires fourteen depositions (exclusive of expert depositions) in order to have the opportunity to
24 obtain deposition testimony from each Defendant in advance of trial. The parties will cooperate
25 and work together to minimize the expense of depositions.
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28 F. Issues Relating to the Disclosure or Discovery of Electronically Stored
29 Information. The parties agree that electronically stored information should be produced in its
30 native electronic format.
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33 G. Issues Relating to Claims of Privilege. The parties have not entered into
34 any agreements relating to claims of privilege or work product, but will cooperate towards an
35 appropriate understanding and/or stipulated protective order for the Court's approval if and as
36 necessary during discovery.
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1 **7. Discovery Cut-Off Date.**

2 The parties propose a discovery cut-off date of January 31, 2011. The parties also
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4 propose February 28, 2011 as the last date on which dispositive motions can be filed.
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6 **8. Consent to Magistrate Judge.**

7 The parties do not agree to refer this case to a Magistrate Judge.
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10 **9. Bifurcation.**

11 The case does not require bifurcation at this time. The parties reserve their rights to
12
13 request bifurcation in the future.
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16 **10. Pretrial Statements and Order.**

17 The parties do not agree to dispense with pretrial statements and a pretrial order.
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20 **11. Suggestions to Shorten the Case.**

21 None at this time; however, the parties will cooperate to abbreviate the case as possible.
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24 **12. Date Ready for Trial.**

25 The parties expect to be ready for trial in May 2011.
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28 **13. Trier of Fact.**

29 The case will be tried to a jury.
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32 **14. Length of Trial.**

33 The parties anticipate a three to five day trial.
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36 **15. Contact Information for Trial Counsel.**

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38 Breena M. Roos, WSBA No. 34501
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8 Appearing pro se on behalf of himself and
9 on behalf of Defendants Ideal Diamond
10 Solutions, Inc., Zdeel's Diamond Gallery,
11 Wells & Co. Fine Jewelers, R. Bruce Carson
12 Jewelers, Frederic H. Rubel Jewelers,
13 Kleinhenz Jewelers, Mayfair Diamonds and
14 Fine Jewelry, Mosiello Jewelers, Cirelli
15 Jewelers, Lv Jewelry, Quattry's Bench
16 Express, Kilman Jewelers, and
17 Diamondscape
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20 **16. Service.**

21 All defendants have been served.
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24 **17. Scheduling Conference.**

25 No party requests a scheduling conference prior to entry of a scheduling order.
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3 DATED: June 10, 2010

PERKINS COIE LLP

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16 *Attorneys for Plaintiff Blue Nile, Inc.*

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19 By s/Larry Chasin by email authorization

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27 *Appearing pro se on behalf of himself and on behalf of*
28 *Defendants Ideal Diamond Solutions, Inc., Zdeel's*
29 *Diamond Gallery, Wells & Co. Fine Jewelers, R. Bruce*
30 *Carson Jewelers, Frederic H. Rubel Jewelers,*
31 *Kleinhenz Jewelers, Mayfair Diamonds and Fine*
32 *Jewelry, Mosiello Jewelers, Cirelli Jewelers, Lv*
33 *Jewelry, Quattry's Bench Express, Kilman Jewelers,*
34 *and Diamondscape*
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CERTIFICATE OF SERVICE

I certify that on June 10, 2010, I electronically filed the foregoing JOINT STATUS REPORT with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following attorneys of record. In addition, I caused service to be made on the same attorneys of record by the method indicated:

Larry Chasin,	_____	Via hand delivery
483 9th Street	_____	Via U.S. Mail, 1st Class, Postage Prepaid
Brooklyn, NY 11215	_____	Via Overnight Delivery
<i>Appearing pro se on behalf of himself and on</i>	<u> X </u>	Electronic Filing
<i>behalf of Defendants Ideal Diamond</i>	_____	Via Email
<i>Solutions, Inc., Zdeed's Diamond Gallery,</i>	_____	Other:
<i>Wells & Co. Fine Jewelers, R. Bruce Carson</i>		
<i>Jewelers, Frederic H. Rubel Jewelers,</i>		
<i>Kleinhenz Jewelers, Mayfair Diamonds and</i>		
<i>Fine Jewelry, Mosiello Jewelers, Cirelli</i>		
<i>Jewelers, Lv Jewelry, Quattri's Bench</i>		
<i>Express, Kilman Jewelers, and</i>		
<i>Diamondscape</i>		

I certify under penalty of perjury that the foregoing is true and correct.

DATED this 10th day of June, 2010.

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